

## GARVAN DEMANDS HARDING CLEAR HIM

Writes to President That He  
Has Been Grossly Mis-  
led by Daugherty.

New York.—Flatly refusing to return to the United States government a single chemical patent right owned by the Chemical Foundation, Inc., of which he is president, Francis P. Garvan, in a spirited and energetic letter to President Harding, asserted that the President, "grossly misled by the attorney-general," is, for the first time in American history, attempting to abrogate a solemn Executive order of a predecessor, and is acting, moreover, on information "furnished by German agents and interpreted by lawyers whose sole knowledge of the war and its lessons is derived from association with German clients."

Absolute legality in the sale of 4,700 and odd former German patents to the Foundation, and complete publicity in the organization and operation of this quasi-public institution, together with the highest of ethical motives, are earnestly maintained by Mr. Garvan in his communication, and he asserts with emphasis that no person connected with the Foundation has ever made a dollar out of it, or ever could do so under its charter and by-laws, himself least of all; he fortifies that statement with figures which show that the capital of the institution consisted of \$428,500, all of which has been spent in the purchase of the patents and in educating the people through schools and colleges and in the encouragement of chemical societies, and says that the Foundation income from licenses barely meets the modest running expenses.

All of these financial details have long been available. Mr. Garvan reminds President Harding, and demands that the President ascertain the truth and tell the people whether the Foundation and its head have deserved the abuse they have received.

"Gave All and Got Abuse"  
"It has given its all," Mr. Garvan writes. "You can take away nothing but the opportunity of service. It was all we got from the government. It is all we have."

"Mr. President, you have had the temerity to impugn the honor of the gentlemen who boast a part in the great work of building up or preserving the possibility of progress in organic chemistry for America. You have again been misinformed as to the nature of the trust we bore. That trust was not for the German Kartel, the owner of practically all the important patents, who had received them under the unthinking graciousness of laws they had induced. That trust was for the American people, their industrial independence and for the safety and health of their children and their children's children."

At the outset of his letter Mr. Garvan states that he has forwarded to the Alien Property Custodian the Chemical Foundation's formal answer to his demand, an answer "as an American corporation ready at all times to defend its rights in the courts," but that the public in whose interests the Foundation was organized, is entitled to be fully informed as to the circumstances under which the demand was made and the reason why it is unqualifiedly refused. The demand itself, Mr. Garvan asserts, together with the letter written by the President and the statement made by Attorney-General Daugherty, "demonstrate that you, Mr. President, have been grossly misled by the attorney-general, both as to the law and the facts of the case."

Eliminating "Enemy Interest"  
Thereupon Mr. Garvan contends (1) that the attorney-general has listened exclusively to German agents, which is no investigation; (2) that the United States government has no interest in the suit brought by the Foundation to determine the ownership of funds held by the treasury; (3) that when President Wilson authorized the sale of the German patents, neither the President, secretary of state nor alien property custodian was under the law, in the remotest sense a trustee for the German enemies; (4) that specific power to sell the patents was granted by Congress after full committee hearings on November 4, 1918, and on December 3, 1918, President Wilson, vested with power to supervise all sales, authorized Acting Secretary of State Frank L. Polk to approve the sale of the German chemical and other patents; (5) that on February 26, 1919, Polk ordered the sale in the public interest, noting that a public sale was not in the best interests of the public because it would offer opportunity for the patents to get into the hands of speculators and monopolists, and that the Chemical Foundation, obligated to grant non-exclusive licenses, was the best means for "eliminating alien interests hostile to American industries and of the advancement of chemical and allied industries in the United States;" (6) that President Wilson, returning from abroad, confirmed Polk's order on February 13, 1920, with this comment: "My reasons for the foregoing determination and order are stated in the said orders of Frank L. Polk. . . and in addition thereto, the public interest will be best served by the elimination of enemy interest adverse to American citizens arising by reason of said choses in action, or rights, interests and benefits under said agreements . . ."

"This sale," Mr. Garvan continues, "was made in the full light of all the branches of the government and in the full light of publicity. The idea of its formation was the result of the intimate knowledge of the past use of these patents in a manner hostile to the United States interests, and in full consultation with all of the executives of the government, the experts of our army and navy, and leaders of our chemical business organizations and the heads of all our scientific and research organizations. I do not ask you

to accept my present statement of the matter, but insert here an extract from the report of A. Mitchell Palmer, filed with the President February 22, 1919, and by him forwarded to the Congress, and by that Congress made a public document and most widely commented on by the press of the country."

Palmer's Version of It  
Mr. Palmer stated in the course of the report referred to by Mr. Garvan: "These patents, as had already been indicated, formed a colossal obstacle to the development of the American dye-stuff industry. Evidently they had not been taken out with any intention of manufacturing in this country or from any fear of American manufacture . . . upon consideration it seemed that these patents offered a possible solution for the problem, hitherto unsolvable, of protecting the new American dye industry against German competition after the war. . . The idea was accordingly conceived that if the German chemical patents could be placed in the hands of any American institution strong enough to protect them, a real obstacle might be opposed to German importation after the war, and at the same time the American industry might be freed from the prohibition enforced by the patents against the manufacture of the most valuable dye-stuffs. Accordingly these considerations were laid before various associations of chemical manufacturers, notably the Dye Institute and the American Manufacturing Chemists' Association. The suggestion was met with an instantaneous and enthusiastic approval, and as a result a corporation has been organized to be known as the Chemical Foundation (Inc.), in which practically every important manufacturer will be a stockholder, the purpose of which is to acquire by purchase these German patents and to hold them as a trust for American industry. . . The first president of the Chemical Foundation will be Francis P. Garvan of the New York bar, to whose clear vision and indefatigable industry I am chiefly indebted for the working out of this plan. The combination was not objectionable to public policy, since it was so organized that any genuine American, whether a stockholder of the company or not, could secure the benefits of the patents on fair and equal terms."

A Quasi-Public Idea  
Mr. Garvan goes on to state that at that time he was a dollar a year man, with no expectation whatever of becoming alien property custodian; that it was only when Attorney-General Gregory resigned and Palmer was appointed attorney-general that Palmer asked him to take the custodian's place. Three months later, he writes, he testified before the Ways and Means Committee of the house: "The foundation of the Chemical Foundation was an effort to form an organization to represent as nearly as possible at that time the public interests. Judge Ingraham of New York and Judge Gray of Delaware had charge of drawing out charter and our trust agreement and our certificate of incorporation. We have endeavored to make it as nearly a public institution as our laws allow, and at the same time to have it an official organization. We wanted to sell these patents to the government, and if there had been any method by which we could make them a working force and still have them owned and controlled by the government, it would have relieved us of a great deal of responsibility, and if there is at this time any suggestion for modification or amendment of our plan which will insure in the minds of the committee a more definite and certain fulfillment of the intention and purposes of our organization I am certain that the Chemical Foundation and all its stockholders and all who are interested in it would be glad to conform to the wishes of the committee, because, in so far as we have public recognition and public support and government recognition and government support, we become more efficient and become more able to carry out the intentions which are in our hearts and minds."

Mr. Garvan states that the total gross income of the Foundation has averaged \$143,216.65 per year. The running expenses, bare overhead, have averaged \$121,971.35, a net excess of \$21,245.30 or .049 per cent on the \$428,500 invested, allowing nothing for depreciation. The average life of the patents is eight years, so that 12 1/2 per cent of the \$271,850 cash paid for the patents, or \$33,981 per year, should be subtracted from the apparent net receipts per year, which leaves an actual annual operation deficit of \$12,735.70. In educational work, Mr. Garvan informs the President, the Foundation has spent \$264,017.85, the entire balance of its capital.

Quotes English Prediction  
Firmly maintaining that the Foundation is the keystone of the wall raised to protect the American people from German chemical domination, Mr. Garvan maintains such protection is indispensable to the future happiness, health and safety of the American people, and quotes from a recent open letter to parliament written by James Morton, largest carpet manufacturer of England: "Organic chemistry is the key to the world of new values; and that America in five years' time will have dye works and general chemical works equal to Germany."

As regards the development of organic chemistry for national defense, Mr. Garvan calls to his aid testimony by Marshal Foch and the late Field Marshal Sir Henry Wilson to the general conclusion that a nation thoroughly equipped chemically may almost guarantee the peace of the future. And as regards its importance in the development of medicine he quotes Prof. Julius Stiglitz of the University of Chicago, world famous chemist: "The pitiful calls of our hospitals for local anesthetics to alleviate suffering on the operating table, the frantic appeals for the hypnotic that soothes the epileptic and staves off his seizure, the almost furious demands for remedy after remedy that came in the early years of the war, are still ringing in the hearts of many of us. No wonder that our small army of chemists is grimly determined not to give up the independence in chemistry which the war achieved for us! Only a widely enlightened public, however, can insure the permanence of what far-seeing men have started to accomplish in developing the power of chemistry through research in every domain which chemistry touches."

"These," Mr. Garvan concludes, "were the thoughts which were in the minds of the men who knew the war and its lessons when they formed the Chemical Foundation."

## Local Addenda

With Shull's Glasses, he leads his classes. 22-30-1

Vernor E. Hurt of Salisbury was a Keytesville visitor Friday.

C. G. Naylor of Prairie Hill transacted business here Saturday.

L. D. Hyde of Kansas City came Sunday for a visit with his son Garrett Hyde.

Everett Bea of Salisbury was a Keytesville visitor Saturday.

Mrs. L. H. Jeter and Miss Rebecca Moore went to Kansas City Friday for a visit with relatives.

Miss Hattie Virgin of Mendon came Sunday to assume her duties as one of the Keytesville school faculty.

Rev. O. L. Hunt returned home Sunday from Liberty, Mo., where he was called to preach a funeral sermon.

Mr. and Mrs. J. F. Stowers and daughter Esther returned to their home in Kansas City Monday after a visit with relatives here.

Mrs. T. P. Wood, formerly of Keytesville, is now visiting her daughters in California. Mrs. R. E. Durbin of Los Angeles and Mrs. H. G. Babcock, of Long Beach.

### FOR SALE

I want to sell the farm of 80 acres, and I want \$100 per acre. I have a good 4-room house, stairway built, can be another room finished upstairs. One front porch. A good well at the back door, new smoke house, 12x16. Good coal shed. Good barn with hay fork in it. Two wells on barn lot. Plenty of good water all the time. Two ponds and a good spring on the place. Good strawberry bed, and a good grape patch on the place; 5 apple trees; 18 acres of hog pasture under fence. About 25 acres of timothy and clover. Building within one-half mile of school house, where we have a good school. A. DOOLEY.

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As a purgative, Chamberlain's Tablets are the exact thing required. Strong enough for the most robust, mild enough for children. They cause an agreeable movement of the bowels without any of that terrible griping. They are easy and pleasant to take and agreeable to effect.

### TOTAL ECLIPSE OF SUN OFF EAST AFRICA ON SEPT. 21

Chicago, Sept. 1.—That you do not live on the east coast of Africa, Australia or on the islands in the southern Pacific ocean relieves you of the unpleasantness of a dark day on September 21. On that date, according to Prof. Edwin B. Frost of the University of Chicago and director of the Yerkes observatory, a total solar eclipse will occur over that region.

### FROM A FORMER RESIDENT

Kansas City, Mo., Sept 1.—Editor of Courier, Keytesville, Mo. Dear Sir: Have wanted to write you my appreciation of your paper since I subscribed for it last winter. It is

The Home Building Companies & Trusts which comprise the membership of the National Association of Home Loan Institutions are loaning thousands of dollars every month to their contract holders at interest rates of three to four per cent.

These loans are made on improved real estate only, and are paid off in monthly installments of from three quarters of one per cent to one per cent of their total.

The companies and trusts are operating under the laws of the state of Missouri, and with permits issued by the Missouri Commissioner of Finance. Their position in the business world is strengthened further by the decision of the Missouri Supreme Court handed down recently, in which all the phases of the co-operative lending plan were thoroughly discussed and the court gave as its opinion that the business was legal and equitable.

The co-operative lending plan was established in this state by act of the legislature, which said in directing that the organizations be allowed to do business "Such associations are now permitted and should be encouraged."

After the statute was passed to further test the soundness of the plan the then Building and Loan Supervisor of Missouri, John A. Lee, refused one of the companies a permit. This company asked the Missouri Supreme Court for a writ compelling him to do so. Thereby, in a friendly manner, they opened every question as to the soundness of the plan for public discussion. The Supreme Court's judgment upheld the co-operative loan plan on every point.

From the time this decision was rendered, every member of the National Association which operates in Missouri submitted all of its contracts and the details of its organization to the Attorney General of Missouri for examination and in every case his decision was favorable.

The companies which comprise the membership of the association are:

Union Home Builders, Washington, D. C.; Home Loan & Investment Trust, St. Louis; Great Northern Savings & Loan Company, Kansas City; Federal Savings & Loan Association, Denver; Home Finance, Kansas City; American Home Builders Depository, Kansas City; Security Home and Savings Organization, Kansas City; Victory Home-owners, Savings & Loan Company, Kansas City; United Home Builders of America, St. Louis; Liberty Home Builders Organization, Kansas City; General Home Investment Trust, Rochester, N. Y.; Co-Operative League of America, Pittsburgh, Pa.; Guardian Home Savings Trust, St. Louis; National Loan & Savings Depository, Kansas City; Aladdin Home Loan and Investment Company, Cape Girardeau, Mo.; Republic Housing & Investment Organization, St. Louis, Mo.

certainly very superior to the wet sheet it formerly was. Keytesville is my home town and your paper brings me news of many old friends from whom I am glad to hear. Am sorry the improvement for which you were so earnestly working did not carry at the last August election. Keytesville has some of the finest people in the world in it, and some of the most conservative. The latter seem unable to see things as they are. The old order of living has passed away and we would all be happier today to adjust ourselves to the new order. The neighboring town of Brunswick has taken itself by the boot straps and is out of the mud.

I can remember when both towns were loaded with whisky wallowing in the mud. Those who say bootlegging is worse than the open saloon lie when they say it, and know they are lying. They were either the producers or consumers of the soul destroying stuff.

My position as a teacher in Kansas City has given me an opportunity to see how the prohibition act has enabled children to come into their own. In one locality where children never had shoes to wear while coming

to school, unless supplied by charity, they now, not only have shoes but roller skates and bicycles, and their fathers have bank accounts. The latter no longer goes into a saloon to cash his pay check, to come home loaded with booze and without any money, but he takes the check home to his wife to buy food and clothes for the family and to lay aside some for a rainy day. Keep up the fight, the majority of the Americans are with you, and are loyal in every sense of the word. They reverence God, respect the law and authority, and love their country.

ATTIE MOORMAN.

### BUSINESS FOR SALE

My stock, tools, place of business and good will in trade are for sale. Prefer to sell all together. Price low if taken at once.

25tf J. C. JENKINS, Keytesville, Mo.

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### What the New York Life Accomplished in the Single Year 1921

The Company issued during 1921.....	203,585 Policies
For new paid insurance amounting to over .....	\$356,000,000
The Company is composed of the holders of .....	1,675,435 Policies
Protecting homes and business interests for more than .....	\$381,000,000
During 1921 the Company paid on the lives of more than 11,000 policy-holders death claims amounting to over .....	\$33,000,000
During 1921 the Company paid to living policy-holders in maturing policies and other cash benefits .....	\$89,000,000
During 1921 the Company loaned at interest to policy-holders on the sole security of their policies over .....	\$10,000,000
During 1921 the Company paid to its policy-holders in dividends alone (included in the \$9 Million Dollars above) nearly .....	\$37,000,000

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### What the New York Life Has Accomplished in 77 Years

Paid in Death Claims over.....	\$582,000,000
Paid to living policy-holders over .....	\$1,043,000,000
Now holds in Assets for the policy-holders over .....	\$952,000,000
Total paid to policy-holders and held for their benefit.....	\$2,679,000,000
Received from policy-holders in premiums over .....	2 1/2 Billion Dollars

**RESULT: THE NEW YORK LIFE** has paid to and now holds for its policy-holders more than \$178,000,000 over and above the totals received from its policy holders.

For Information concerning policies or an Agency write or call on—  
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### New York Life INSURANCE COMPANY Business in Missouri

New business, paid basis during 1921 .....	\$17,953,845.00
Insurance in force in Missouri as of January 1, 1922 .....	\$122,168,720.00
Investments in the State:	
Real estate .....	\$635,000.00
Loans on farm property .....	5,371,851.41
Loans on other property .....	2,497,237.50
Loans on policies .....	5,340,767.04
Railroad bonds apportioned on a mileage basis .....	8,155,322.20
State, county and municipal bonds .....	965,590.14
Other corporate bonds .....	61,972.80
Total invested in State .....	\$34,027,741.12
Premiums collected during 1921 from residents of Missouri .....	\$ 4,306,550.53
Paid during year 1921 to Missouri policy-holders and their beneficiaries—death losses, maturing endowments, dividends, etc. .....	\$ 2,961,898.91
Invested in Missouri during 1921:	
Bonds .....	\$177,000.00
Loans on farm property .....	722,529.37
Loans on city property .....	549,000.00
Loans on policies .....	1,177,761.85
Total invested in 1921 .....	\$ 2,626,291.22
YOU ARE INVITED TO JOIN	